Sale of tobacco products to minors

2565. DR. GYAN PRAKASH PILANIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware that the "Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003" is more observed in its breach than compliance;

(b) if so, whether action has been initiated against publishing houses and vendors and cigarette companies for violation of this act;

(c) the number of cases registered and action taken thereof, since inception of this act;

(d) whether tobacco products are sold to minors and students at schools with impunity; and

(e) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (e) The Act is required to be implemented mainly by the State Governments. They have been advised to enforce the provisions of the Act strictly and put in place necessary mechanisms to prevent any violations. Show cause notices have been issued against publishing houses, cigarette companies etc. for certain violations.

Entry of multinational companies in SSI sector

†2566. PROF. ALKA BALRAM KSHATRIYA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware of the fact that many multinational companies have entered into the small scale industry sector in an irregular and secret manner;

(b) whether Government have received any complaint from the Federation of Small Scale Industries of India requesting for action against these companies and to dereserve the items reserved for the small scale industries; and

†Original notice of the question was received in Hindi.

(c) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Under the extant policy, a non-SSI unit can manufacture items reserved for manufacture in the small-scale sector after obtaining a license under the Industries (Development & Regulation) Act, 1951 with an obligation to export 50% of the production of SSI reserved items. Government have occasionally received information of violation of reservation policy by non-SSI units. The Government has, *inter* alia, so far initiated action in three such cases.

(b) No, Sir.

(c) Does not arise.

Penalty on tobacco cultivators of Andhra Pradesh

2567. SHRI NANDI YELLAIAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the High Court of Andhra Pradesh declared 40% levy as penalty on tobacco cultivators of Andhra Pradesh, for 2000-2001 by Tobacco Board as discriminatory when compared to 5% Fee/ Levy as penalty imposed in Karnataka and directed the Board to retain 5% of the amount imposed and distribute the remaining amount to the respective tobacco growers;

(b) whether Government would assure of withdrawing the case from the Supreme Court in the interest of tobacco growers, who contribute a significant share in securing foreign exchange reserves for the nation; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) The Hon'ble High Court of AP directed the Tobacco Board to retain 5% of the amount imposed as penalty for excess/unauthorized AP crop during 2001 and refund the remaining amount charged in excess thereof to the AP farmers who had grown tobacco in violation of the 'Crop Holiday' declared by the Tobacco Board.

(b) The Government has decided to withdraw the case from the Supreme Court for an out of Court settlement; in the interest of tobacco growers.

(c) Does not arise.